




THE CITY OF SAN DIEGO

MEMORANDUM

DATE: March 3, 2009

TO: Audit Committee Members

FROM: Jay M. Goldstone, Chief Operating Officer 

SUBJECT: Appointment of Mr. Eduardo Luna to the Position of City Auditor

MAYORAL RECOMMENDATION:

It is recommended that the Audit Committee:

1. Concur with the appointment of Mr. Eduardo Luna to the position of City Auditor for a period of ten years from the date of City Council confirmation and
2. Recommend to the City Council that it authorize the Mayor, in consultation with the Audit Committee, to negotiate the specific terms and conditions of an employment agreement.

SUMMARY:

In August 2006, Kroll released the Report from the Audit Committee (Kroll Report). One of the recommendations called for the establishment of a City Auditor position. In order to ensure the independence of this position, it was further recommended that the person be appointed by the Mayor in consultation with the Audit Committee and confirmed by the City Council. In addition, in order to provide the City Auditor with independence and protection from undue influence, it was also recommended in the Kroll Report that this position be given a ten year contract. These recommendations were codified in the City's Charter in June 2008 with the passage of Measure C.

In advance of the Charter amendment, the Mayor's Office, in consultation with the City Council's Audit Committee, engaged the services of a recruiter to begin a nationwide search for a City Auditor. As part of the selection process, Council Member Faulconer and former Council Member Atkins interviewed the final list of candidates for the position of City Auditor. Ultimately an offer was made to and accepted by Mr. Luna.

Mr. Luna has over 18 years of relevant experience, including years with the City of San Jose and sixteen months with the City of San Diego (see attached resume).

During Mr. Luna's tenure with the City, he has begun building a new Internal Audit Office, developed a risk-based audit workplan, assumed operational responsibility for the fraud hot-line, and established an audit process based on government audit standards. He frequently interacts with City elected and appointed officials to discuss audit related issues.

To date, Mr. Luna has reported to the Chief Operating Officer while maintaining a close working relationship with the Audit Committee. If confirmed by the City Council, Mr. Luna will formally report to the Audit Committee, completing the implementation of Measure C.

Mr. Luna will be present to respond to specific questions of the Audit Committee. Following a review by the Audit Committee, this recommendation will be moved forward to the City Council for confirmation.

Attachment

cc: Mayor Jerry Sanders
City Councilmembers
Mary Lewis, Chief Financial Officer
Andrea Tevlin, Independent Budget Analyst
Eduardo Luna, Internal Auditor
Stanley Keller, Independent Consultant

Eduardo Luna

CIA, CGFM

EXPERIENCE

Internal Auditor, City of San Diego

October 2007 to Present

Serve as the City's chief audit director with responsibility for directing performance audits of City departments, programs, and related entities. Responsible for establishing and leading the Office of the City Auditor while reporting to the Chief Operating Officer and Audit Committee. Issue audit reports with findings and recommendations to the Mayor and City Council. Interact with and discuss audit-related issues with City elected and appointed officials, directors, and other stake holders. Serve as a non-voting member to the Disclosure Practices Working Group. Accomplishments include recruiting and hiring a professional audit staff, undertaking the citywide risk assessment and developing a risk-based audit work plan, assuming operational responsibility for the fraud hotline, and establishing an audit process based on government auditing standards.

Deputy City Auditor, Office of the City Auditor, City of San Jose Senior Auditor Program Performance Auditor II

August 2001 to September 2007
April 1998 to July 2001
October 1995 to May 1998

Lead and manage audit teams conducting complex performance and financial-related audits of City departments, programs, and services, and community organizations. Direct and ensure audit staff comply with government auditing standards, risk assessment processes, and office procedures. Work with audit staff to ensure that all audit reports are written clearly, completely, and accurately. Brief City Council members on audit findings and make presentations at City Council subcommittee meetings. Work closely with the Chief Deputy City Manager and Department Directors to communicate audit findings, ensure recommendations are implemented, and cost savings achieved. Assisting the City Auditor in planning, overseeing and implementing the City Council-approved audit work plan and annual Office operating budget. Recruit, interview, and hire audit staff. Assist the City Auditor in performing day-to-day functions of the Office, and act in the absence of City Auditor. Served as Team Leader in conducting peer reviews of Northampton County, PA (2002); Austin, TX (2003); and D.C. Office of Inspector General (2006). Accomplishments include updating and streamlining office policies and procedures, revising the audit report format to improve readability, and guiding the selection and implementation of an automated work paper system.

Evaluator II, U.S. General Accounting Office, San Francisco, CA Washington, D.C.

May 1993 to September 1995
January 1990 to April 1993

Planned and conducted performance audits of federal government agencies and programs at the request of the U.S. Congress. As an in-charge auditor or project member, specific accomplishments included conducting audits of the Department of Justice, Federal Bureau of Investigation, Internal Revenue Service, U.S. Customs Service, General Services Administration, and Office of Financial Enforcement. Responsible for all phases of audit work: conducted preliminary surveys, defined audit scope, designed audit programs, conducted field work, and wrote audit reports with recommendations to improve the operation and performance of the audited entities. Produced nine reports in six-year period, including Congressional testimony.

EDUCATION

L.B.J. School of Public Affairs, The University of Texas at Austin — Master of Public Affairs, August 1989

Santa Clara University, Santa Clara, California — Bachelor of Science in Political Science, June 1987

PROFESSIONAL ACCOMPLISHMENTS

Certified Internal Auditor, November 1999

Certified Government Financial Manager, September 1996

2006 Knighton Award for Best Performance Audit

Board Member, National Association of Local Government Auditors, 2003-2005

Member, Institute of Internal Auditors

Member, Association of Government Accountants

Member, Association of Local Government Auditors

Member, U.S. Comptroller General's Domestic Working Group